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FILED
APR 04 2006

DEPARTMENT OF MANAGED HEALTH CARE
By Susan Ball
Filing Clerk

7
8 BEFORE THE DEPARTMENT OF MANAGED HEALTH CARE
9 OF THE STATE OF CALIFORNIA

10 IN THE MATTER OF:

11 WELLPOINT HEALTH NETWORKS,
12 INC.

13 dba BLUE CROSS OF CALIFORNIA

14 Respondent.
15
16

Enforcement Matter No.: 06-137

**ORDER RE: COMPLIANCE WITH
California Code of Regulations, title 28,
section 1300.65(c)(4)**

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18 The Director of the Department of Managed Health Care, by and through her
19 designee, Assistant Deputy Director Amy L. Dobberteen, after investigation, determines
20 as follows:

21 **PARTIES**

22 1. The Director of the Department of Managed Health Care (the
23 "Department") is vested with the responsibility to administer and enforce the Knox-
24 Keene Health Care Service Plan Act of 1975, Health and Safety Code section 1340 et
25 seq. (Knox-Keene Act).

26 2. Blue Cross of California ("Blue Cross") is a health care service plan
27 licensed under the Knox-Keene Act, license number 933 0415, and regulated by the
28 Department of Managed Health Care.

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4. The Director is empowered to enforce compliance with this Act by Health and Safety Code section 1344(a), which provides:

5. Health and Safety Code section 1365(b) provides, in part:

6. Pursuant to California Code of Regulations, title 28, section 1300.65(c)(1),

7. Pursuant to California Code of Regulations, title 28, section 1300.65(c)(4) a notice of cancellation of health care coverage shall state:

That a subscriber or enrollee who alleges that an enrollment or subscription has been cancelled or not renewed because of the enrollee's or subscriber's health status or requirements for health care services may request a review of cancellation by the Director.

1 **FINDINGS**

2 8. Through examination and investigation, it has come to the Department's
3 attention that Blue Cross failed to notify enrollees or subscribers of their specific
4 statutory right to request a review by the Director of the Department when their health
5 care benefits have been cancelled, non-renewed, rescinded or limited. (Health and Safety
6 Code section 1365(b); California Code of Regulations, title 28, section 1300.65(c)(4).)
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8 **ORDER**

9 **IT IS HEREBY ORDERED** from this date forward, that Blue Cross shall include
10 in each and every notice of cancellation or limitation of health care coverage (including,
11 but not limited to, rescissions under Health and Safety Code section 1389.3), a clear and
12 concise notice to the enrollee or subscriber of their statutory right to request a review by
13 the Director pursuant to Health and Safety Code section 1365(b) and California Code of
14 Regulations, title 28, section 1300.65(c)(4). The Notice to the enrollee or subscriber shall
15 include the following language:

16 If you believe that your enrollment or subscription for health
17 care coverage was cancelled, rescinded, limited or not
18 renewed because of your health status or your requirements
19 for health care services, you have the right to request that the
20 Director of the Department of Managed Health Care review
21 Blue Cross of California's decision. Your request for review
22 can be made by completing the enclosed complaint form and
23 delivering it to the Department of Managed Health Care.

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1 This Order shall be effective until further Order from the Director.
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3 Dated: April 4, 2006
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LUCINDA EHNES, Director
Department of Managed Health Care

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6 By: 

7 AMY L. DOBBERTEN
8 Assistant Deputy Director
9 Department of Managed Health Car
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